



HEALTH ANNUAL STATEMENT  
FOR THE YEAR ENDING DECEMBER 31, 2002  
OF THE CONDITION AND AFFAIRS OF THE  
Denticare of Arkansas, Inc.

NAIC Group Code	0019 <small>(Current Period)</small>	0019 <small>(Prior Period)</small>	NAIC Company Code	95813	Employer's ID Number	73-1274686
Organized under the Laws of	Arkansas			State of Domicile or Port of Entry	Arkansas	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health [ ]		Property/Casualty [ ]		Dental Service Corporation [ ]	
	Vision Service Corporation [ ]		Other [ ]		Health Maintenance Organization [ X ]	
	Hospital, Medical & Dental Service or Indemnity [ ]				Is HMO, Federally Qualified? Yes [ ] No [ X ]	
Incorporated	04/04/1986		Commenced Business		11/03/1986	
Statutory Home Office	650 SOUTH SHACKLEFORD ROAD, SUITE 400 <small>(Street and Number)</small>			LITTLE ROCK, AR 72211 <small>(City or Town, State and Zip Code)</small>		
Main Administrative Office	2323 Grand Boulevard <small>(Street and Number)</small>					
	Kansas City, MO 64108 <small>(City or Town, State and Zip Code)</small>			816-474-2345 <small>(Area Code) (Telephone Number)</small>		
Mail Address	2323 Grand Boulevard <small>(Street and Number or P.O. Box)</small>			Kansas City, MO 64108 <small>(City or Town, State and Zip Code)</small>		
Primary Location of Books and Records	2323 Grand Boulevard <small>(Street and Number)</small>					
	Kansas City, MO 64108 <small>(City or Town, State and Zip Code)</small>			816-474-2345 <small>(Area Code) (Telephone Number)</small>		
Internet Website Address	N/A					
Statement Contact	Wendy Ojala <small>(Name)</small>			651-361-4076 <small>(Area Code) (Telephone Number) (Extension)</small>		
	wendy.ojala@us.fortis.com <small>(E-mail Address)</small>			651-361-5356 <small>(FAX Number)</small>		
Policyowner Relations Contact	3595 Grandview Parkway, Suite 150 <small>(Street and Number)</small>					
	Birmingham, AL 35243-1935 <small>(City or Town, State and Zip Code)</small>			800-443-2995 <small>(Area Code) (Telephone Number) (Extension)</small>		

OFFICERS

Chief Executive Officer	Michael John Peninger	Secretary	Kenneth Dale Bowen
Vice President & Treasurer	Floyd Fitz-Hubert Chadee		

VICE PRESIDENTS

Floyd Fitz-Hubert Chadee	Bradley Clifford Johnson	Danny Joseph Galginitis
Gary Louis Lau		

DIRECTORS OR TRUSTEES

Michael John Peninger	Kenneth Dale Bowen	Bradley Clifford Johnson
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State of Missouri } ss  
County of Jackson }

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

Michael John Peninger Chief Executive Officer	Kenneth Dale Bowen Secretary	Floyd Fitz-Hubert Chadee Vice President & Treasurer
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Subscribed and sworn to before me this day of February, 2003	a. Is this an original filing? Yes [ X ] No [ ] b. If no 1. State the amendment number 2. Date filed 3. Number of pages attached
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ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets	4 Net Admitted Assets
1. Bonds .....	110,656		110,656	110,816
2. Stocks:				
2.1 Preferred stocks .....	0		0	0
2.2 Common stocks .....	0		0	0
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ ..... encumbrances).....			(a) 0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....5,359 , Schedule E - Part 1) and short-term investments (\$ .....392,277 , Schedule DA - Part 2) .....	397,636		397,636	377,538
6. Other long-term invested assets .....	0		0	0
7. Receivable for securities .....			0	0
8. Aggregate write-ins for invested assets .....	0	0	0	0
9. Subtotals, cash and invested assets (Lines 1 to 8) .....	508,292	0	508,292	488,354
10. Accident and health premiums due and unpaid .....	0		0	5,038
11. Health care receivables .....			0	0
12. Amounts recoverable from reinsurers .....			0	0
13. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
14. Investment income due and accrued .....	5,329		5,329	3,557
15. Amounts due from parent, subsidiaries and affiliates .....	0		0	1,275
16. Amounts receivable relating to uninsured accident and health plans .....			0	0
17. Furniture and equipment .....			0	0
18. Amounts due from agents .....			0	0
19. Federal and foreign income tax recoverable and interest thereon (including \$ .....0 net deferred tax asset) .....	7,762		7,762	645
20. Electronic data processing equipment and software .....			0	0
21. Other nonadmitted assets .....			0	0
22. Aggregate write-ins for other than invested assets .....	13	0	13	1,281
23. Total assets (Lines 9 plus 10 through 22)	521,396	0	521,396	500,150
DETAILS OF WRITE-INS				
0801. ....				
0802. ....				
0803. ....				
0898. Summary of remaining write-ins for Line 8 from overflow page .....	0	0	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898)(Line 8 above)	0	0	0	0
2201. Premium Tax Receivable.....	13		13	1,281
2202. ....				
2203. ....				
2298. Summary of remaining write-ins for Line 22 from overflow page .....	0	0	0	0
2299. Totals (Lines 2201 thru 2203 plus 2298)(Line 22 above)	13	0	13	1,281

(a) \$ ..... health care delivery assets included in Line 4.1, Column 3.

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded)		2	2	4,295
2. Accrued medical incentive pool and bonus payments .....			0	0
3. Unpaid claims adjustment expenses .....			0	0
4. Aggregate policy reserves .....			0	2,002
5. Aggregate claim reserves .....			0	0
6. Premiums received in advance .....			0	9,041
7. General expenses due or accrued .....	0		0	224
8. Federal and foreign income tax payable and interest thereon (including \$ ..... on realized capital gains (losses)) (including \$ ..... net deferred tax liability) .....			0	12,723
9. Amounts withheld or retained for the account of others .....			0	0
10. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....			0	0
11. Amounts due to parent, subsidiaries and affiliates .....	7,687		7,687	0
12. Payable for securities .....			0	0
13. Funds held under reinsurance treaties with (\$ ..... authorized reinsurers and \$ ..... unauthorized reinsurers) .....			0	0
14. Reinsurance in unauthorized companies .....			0	0
15. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
16. Liability for amounts held under uninsured accident and health plans .....			0	0
17. Aggregate write-ins for other liabilities (including \$ ..... current) .....	0	0	0	1,098
18 Total liabilities (Lines 1 to 17).....	7,687	2	7,689	29,383
19. Common capital stock .....	XXX	XXX	1,000	1,000
20 Preferred capital stock .....	XXX	XXX		0
21. Gross paid in and contributed surplus .....	XXX	XXX	50,000	50,000
22. Surplus notes .....	XXX	XXX		0
23. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
24. Unassigned funds (surplus) .....	XXX	XXX	462,707	419,767
25. Less treasury stock, at cost:				
25.1 .....shares common (value included in Line 19 \$ ..... ) .....	XXX	XXX		0
25.2 .....shares preferred (value included in Line 20 \$ ..... ) .....	XXX	XXX		0
26. Total capital and surplus (Lines 19 to 24 Less 25) .....	XXX	XXX	513,707	470,767
27. Total liabilities, capital and surplus (Lines 18 and 26)	XXX	XXX	521,396	500,150
DETAILS OF WRITE-INS				
1701. Accounts payable Protective.....			0	1,097
1702. Rounding.....			0	1
1703. ....				
1798. Summary of remaining write-ins for Line 17 from overflow page .....	0	0	0	0
1799. Totals (Lines 1701 thru 1703 plus 1798) (Line 17 above)	0	0	0	1,098
2301. ....	XXX	XXX		
2302. ....	XXX	XXX		
2303. ....	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page .....	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	10,495	23,710
2. Net premium income .....	XXX	80,828	154,695
3. Change in unearned premium reserves and reserve for rate credits .....	XXX	2,002	9,582
4. Fee-for-service (net of \$ ..... medical expenses) .....	XXX		0
5. Risk revenue .....	XXX		0
6. Aggregate write-ins for other health care related revenues .....	XXX	0	0
7. Total revenues (Lines 2 to 6) .....	XXX	82,830	164,277
<b>Medical and Hospital:</b>			
8. Hospital/medical benefits .....			0
9. Other professional services .....		31,896	71,617
10. Outside referrals .....			0
11. Emergency room and out-of-area .....			0
12. Prescription Drugs .....			
13. Aggregate write-ins for other medical and hospital .....	0	0	0
14. Incentive pool and withhold adjustments .....			0
15. Subtotal (Lines 8 to 14) .....	0	31,896	71,617
<b>Less:</b>			
16. Net reinsurance recoveries .....			0
17. Total medical and hospital (Lines 15 minus 16) .....	0	31,896	71,617
18. Claims adjustment expenses .....			0
19. General administrative expenses.....		29,896	55,505
20. Increase in reserves for accident and health contracts .....			0
21. Total underwriting deductions (Lines 17 through 20) .....	0	61,792	127,122
22. Net underwriting gain or (loss) (Lines 7 minus 21) .....	XXX	21,038	37,155
23. Net investment income earned .....		13,870	7,269
24. Net realized capital gains or (losses) .....			0
25. Net investment gains or (losses) (Lines 23 + 24) .....	0	13,870	7,269
26. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... )] .....			0
27. Aggregate write-ins for other income or expenses .....	0	0	244
28. Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27) .....	0	34,908	44,668
29. Federal and foreign income taxes incurred .....	XXX	(4,691)	12,723
30. Net income (loss) (Lines 28 minus 29)	XXX	39,599	31,945
<b>DETAILS OF WRITE-INS</b>			
0601. ....	XXX		
0602. ....	XXX		
0603. ....	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0
1301. ....			
1302. ....			
1303. ....			
1398. Summary of remaining write-ins for Line 13 from overflow page .....	0	0	0
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0
2701. Miscellaneous income.....			244
2702. ....			
2703. ....			
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	0	0	244

CAPITAL AND SURPLUS ACCOUNT

	1 Current Year	2 Prior Year
<b>CAPITAL AND SURPLUS ACCOUNT:</b>		
31. Capital and surplus prior reporting year .....	470,767	432,825
<b>GAINS AND LOSSES TO CAPITAL &amp; SURPLUS:</b>		
32. Net income or (loss) from Line 30 .....	39,599	31,945
33. Change in valuation basis of aggregate policy and claim reserve .....		0
34. Net unrealized capital gains and losses .....		0
35. Change in net unrealized foreign exchange capital gain or (loss) .....		0
36. Change in net deferred income tax .....	(2,141)	(2,912)
37. Change in nonadmitted assets .....	5,482	8,406
38. Change in unauthorized reinsurance .....	0	0
39. Change in treasury stock .....		0
40. Change in surplus notes .....	0	0
41. Cumulative effect of changes in accounting principles .....		503
42. Capital Changes:		
42.1 Paid in .....		0
42.2 Transferred from surplus (Stock Dividend) .....		0
42.3 Transferred to surplus .....		0
43. Surplus adjustments:		
43.1 Paid in .....	0	0
43.2 Transferred to capital (Stock Dividend) .....		0
43.3 Transferred from capital .....		0
44. Dividends to stockholders .....		0
45. Aggregate write-ins for gains or (losses) in surplus .....	0	0
46. Net change in capital & surplus (Lines 32 to 45) .....	42,940	37,942
47. Capital and surplus end of reporting year (Line 31 plus 46)	513,707	470,767
<b>DETAILS OF WRITE-INS</b>		
4501. ....		
4502. ....		
4503. ....		
4598. Summary of remaining write-ins for Line 45 from overflow page .....	0	0
4599. Totals (Lines 4501 thru 4503 plus 4598) (Line 45 above)	0	0

CASH FLOW

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums and revenues collected net of reinsurance .....	76,825	168,636
2. Claims and claims adjustment expenses .....	36,189	80,360
3. General administrative expenses paid .....	30,120	56,125
4. Other underwriting income (expenses) .....	0	0
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4) .....	10,516	32,151
6. Net investment income .....	12,258	7,418
7. Other income (expenses) .....	0	245
8. Federal and foreign income taxes (paid) recovered .....	(15,794)	(11,989)
9. Net cash from operations (Lines 5 to 8) .....	6,980	27,825
<b>Cash from Investments</b>		
10. Proceeds from investments sold, matured or repaid:		
10.1 Bonds .....	0	0
10.2 Stocks .....	750,056	0
10.3 Mortgage loans .....	0	0
10.4 Real estate .....	0	0
10.5 Other invested assets .....	0	0
10.6 Net gains or (losses) on cash and short-term investments .....	0	0
10.7 Miscellaneous proceeds .....	0	0
10.8 Total investment proceeds (Lines 10.1 to 10.7) .....	750,056	0
11. Cost of investments acquired (long-term only):		
11.1 Bonds .....	0	0
11.2 Stocks .....	750,056	0
11.3 Mortgage loans .....	0	0
11.4 Real estate .....	0	0
11.5 Other invested assets .....	0	0
11.6 Miscellaneous applications .....	0	0
11.7 Total investments acquired (Lines 11.1 to 11.6) .....	750,056	0
12. Net Cash from investments (Line 10.8 minus Line 11.7) .....	0	0
<b>Cash from Financing and Miscellaneous Sources</b>		
13. Cash provided:		
13.1 Surplus notes, capital and surplus paid in .....	0	0
13.2 Net transfers from affiliates .....	8,962	0
13.3 Borrowed funds received .....	0	0
13.4 Other cash provided .....	5,254	11,954
13.5 Total (Lines 13.1 to 13.4) .....	14,216	11,954
14. Cash applied:		
14.1 Dividends to stockholders paid .....	0	0
14.2 Net transfers to affiliates .....	0	4,657
14.3 Borrowed funds repaid .....	0	0
14.4 Other applications .....	1,098	0
14.5 Total (Lines 14.1 to 14.4) .....	1,098	4,657
15. Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5) .....	13,118	7,297
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>		
16. Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15) .....	20,098	35,122
17. Cash and short-term investments:		
17.1 Beginning of year .....	377,538	342,416
17.2 End of year (Line 16 plus Line 17.1) .....	397,636	377,538

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UNDERWRITING AND INVESTMENT EXHIBIT  
PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1+2-3)
1. Comprehensive (medical and hospital) .....				.0
2. Medicare Supplement .....				.0
3. Dental Only.....	.80,828			.80,828
4. Vision Only.....				.0
5. Federal Employees Health Benefits Plan Premiums .....				.0
6. Title XVIII - Medicare .....				.0
7. Title XIX - Medicaid.....				.0
8. Other .....				.0
9. Totals	80,828	0	0	80,828



UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - Claims Incurred During the Year

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Medical & Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Other
1. Payments during the year:									
1.1 Direct .....	36,189			36,189					
1.2 Reinsurance assumed .....	.0								
1.3 Reinsurance ceded .....	.0								
1.4 Net .....	36,189	.0	.0	36,189	.0	.0	.0	.0	.0
2. Paid medical incentive pools and bonuses .....	.0								
3. Claim liability December 31, current year from Part 2A:									
3.1 Direct .....	.2	.0	.0	.2	.0	.0	.0	.0	.0
3.3 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
3.3 Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
3.4 Net .....	.2	.0	.0	.2	.0	.0	.0	.0	.0
4. Claim reserve December 31, current year from Part 2D:									
4.1 Direct .....	.0								
4.2 Reinsurance assumed .....	.0								
4.3 Reinsurance ceded .....	.0								
4.4 Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
5. Accrued medical incentive pools and bonuses, current year .....	.0								
6. Amounts recoverable from reinsurers December 31, current year .....	.0								
7. Claim liability December 31, prior year from Part 2A:									
7.1 Direct .....	4,295	.0	.0	4,295	.0	.0	.0	.0	.0
7.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
7.3 Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
7.4 Net .....	4,295	.0	.0	4,295	.0	.0	.0	.0	.0
8. Claim reserve December 31, prior year from Part 2D:									
8.1 Direct .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
8.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
8.3 Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
8.4 Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
9. Accrued medical incentive pools and bonuses, prior year .....	.0								
10. Amounts recoverable from reinsurers December 31, prior year .....	0								
11. Incurred Benefits:									
11.1 Direct .....	31,896	.0	.0	31,896	.0	.0	.0	.0	.0
11.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
11.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0
11.4 Net .....	31,896	0	0	31,896	0	0	0	0	0
12. Incurred medical incentive pools and bonuses .....	0	0	0	0	0	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - Claims Liability End of Current Year

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Medical & Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Other
1. Reported in Process of Adjustment:									
1.1. Direct .....	.0								
1.2. Reinsurance assumed .....	.0								
1.3. Reinsurance ceded .....	.0								
1.4. Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. Incurred but Unreported:									
2.1. Direct .....	.2			.2					
2.2. Reinsurance assumed .....	.0								
2.3. Reinsurance ceded .....	.0								
2.4. Net .....	.2	.0	.0	.2	.0	.0	.0	.0	.0
3. Amounts Withheld from Paid Claims and Capitations:									
3.1. Direct .....	.0								
3.2. Reinsurance assumed .....	.0								
3.3. Reinsurance ceded .....	.0								
3.4. Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. TOTALS:									
4.1. Direct .....	.2	.0	.0	.2	.0	.0	.0	.0	.0
4.2. Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.3. Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.4. Net .....	.2	.0	.0	.2	.0	.0	.0	.0	.0

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability Dec. 31 of Current Year		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1  On Claims Incurred Prior to January 1 of Current Year	2  On Claims Incurred During the Year	3  On Claims Unpaid December 31 of Prior Year	4  On Claims Incurred During the Year		
1. Comprehensive (medical and hospital) .....					.0	.0
2. Medicare Supplement .....					.0	.0
3. Dental Only.....		36,189		2	.0	4,295
4. Vision Only.....					.0	.0
5. Federal Employees Health Benefits Plan Premiums .....					.0	.0
6. Title XVIII - Medicare .....					.0	.0
7. Title XIX - Medicaid.....					.0	.0
8. Other .....					.0	.0
9. Subtotal .....	.0	36,189	.0	2	.0	4,295
10. Medical incentive pools, accruals and disbursements .....					.0	.0
11. Totals	0	36,189	0	2	0	4,295

**STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2002 OF THE DENTCARE OF ARKANSAS, Inc**

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

**(000 Omitted)**

### **Section A - Paid Claims - Dental Only**

Year in Which Losses Were Incurred	Net Amounts Paid				
	1 1998	2 1999	3 2000	4 2001	5 2002
1. Prior .....	0	0	0	0	
2. 1998 .....	0	0	0	0	
3. 1999 .....	XXX	0	0	0	
4. 2000 .....	XXX	XXX	161	0	
5. 2001 .....	XXX	XXX	XXX	80	
6. 2002 .....	XXX	XXX	XXX	XXX	36

### **Section B - Incurred Claims- Dental Only**

Year in Which Losses Were Incurred	Sum of Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1998	2 1999	3 2000	4 2001	5 2002
1. Prior .....	0	0	0	0	
2. 1998 .....	0	0	0	0	
3. 1999 .....	XXX	0	0	0	
4. 2000 .....	XXX	XXX	174	0	
5. 2001 .....	XXX	XXX	XXX	85	
6. 2002 .....	XXX	XXX	XXX	XXX	36

### Section C – Incurred Year Claims and Claims Adjustment Expense Ratio – Dental Only

[illegible]

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## Section A - Paid Claims- Grand Total

Year in Which Losses Were Incurred	Sum of Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1998	2 1999	3 2000	4 2001	5 2002
1. Prior .....	.0	.0	.0	.0	.0
2. 1998 .....	.0	.0	.0	.0	.0
3. 1999 .....	XXX	.0	.0	.0	.0
4. 2000 .....	XXX	XXX	174	.0	.0
5. 2001 .....	XXX	XXX	XXX	.85	.0
6. 2002 .....	XXX	XXX	XXX	XXX	36

[illegible]

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
POLICY RESERVE									
1. Unearned premium reserves .....									
2. Additional policy reserves (a) .....									
3. Reserve for future contingent benefits .....									
4. Reserve for rate credits or experience rating refunds (including \$ ..... for investment income) .....									
5. Aggregate write-ins for other policy reserves .....									
6. Totals (Gross) .....									
7. Reinsurance ceded .....									
8. Totals (Net)(Page 3, Line 4)									
CLAIM RESERVE									
9. Present value of amounts not yet due on claims .....									
10. Reserve for future contingent benefits .....									
11. Aggregate write-ins for other claim reserves .....									
12. Totals (Gross) .....									
13. Reinsurance ceded .....									
14. Totals (Net)(Page 3, Line 5)									
DETAILS OF WRITE-INS									
0501. ....									
0502. ....									
0503. ....									
0598. Summary of remaining write-ins for Line 5 from overflow page .....									
0599. TOTALS (Lines 0501 thru 0503 plus 0598) (Line 5 above)									
1101. ....									
1102. ....									
1103. ....									
1198. Summary of remaining write-ins for Line 11 from overflow page .....									
1199. TOTALS (Lines 1101 thru 1103 plus 1198) (Line 11 above)									

(a) Includes \$ ..... premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 3 - ANALYSIS OF EXPENSES

	1 Claim Adjustment Expenses	2 General Administration Expenses	3 Investment Expenses	4 Total
1. Rent (\$ ..... for occupancy of own building).....		.861		.861
2. Salaries, wages and other benefits.....		7,525		7,525
3. Commissions (less \$ ..... ceded plus \$ ..... assumed).....		3,183		3,183
4. Legal fees and expenses.....		1		1
5. Certifications and accreditation fees.....		0		0
6. Auditing, actuarial and other consulting services.....		10,870		10,870
7. Traveling expenses.....		253		253
8. Marketing and advertising.....		28		28
9. Postage, express and telephone.....		946		946
10. Printing and office supplies.....		1,301		1,301
11. Occupancy, depreciation and amortization.....		0		0
12. Equipment.....		59		59
13. Cost or depreciation of EDP equipment and software.....		165		165
14. Outsourced services including EDP, claims, and other services.....		0		0
15. Boards, bureaus and association fees.....		1		1
16. Insurance, except on real estate.....		0		0
17. Collection and bank service charges.....		0	19	19
18. Group service and administration fees.....		53		53
19. Reimbursements by uninsured accident and health plans.....		0		0
20. Reimbursements from fiscal intermediaries.....		0		0
21. Real estate expenses.....		0		0
22. Real estate taxes.....		0		0
23. Taxes, licenses and fees:				
23.1 State and local insurance taxes.....		0		0
23.2 State premium taxes.....		1,970		1,970
23.3 Regulatory authority licenses and fees.....		636		636
23.4 Payroll taxes.....		0		0
23.5 Other (excluding federal income and real estate taxes).....		0		0
24. Investment expenses not included elsewhere.....		0	33	33
25. Aggregate write-ins for expenses.....	0	2,044	0	2,044
26. Total expenses incurred (Lines 1 to 25).....	0	29,896	52 (a)	29,948
27. Add expenses unpaid December 31, prior year.....		224		224
28. Less expenses unpaid December 31, current year.....		0		0
29. Amounts receivable related to uninsured accident and health plans, prior year.....				0
30. Amounts receivable related to uninsured accident and health plans, current year.....				0
31. Total expenses paid (Lines 26 + 27 - 28 - 29 + 30)	0	30,120	52	30,172
DETAIL OF WRITE-INS				
2501. Electronic Data Processing.....		1,033		1,033
2502. Contracted Services.....		395		395
2503. Other .....		616		616
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Line 2501 thru 2503 plus 2598)(Line 25 above)	0	2,044	0	2,044

(a) Includes management fees of \$ .....14,756 to affiliates and \$ .....to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds .....	(a) .....7,700	.....7,546
1.1	Bonds exempt from U.S. tax .....	(a) .....	.....
1.2	Other bonds (unaffiliated) .....	(a) .....	.....54
1.3	Bonds of affiliates .....	(a) .....	.....
2.1	Preferred stocks (unaffiliated) .....	(b) .....	.....
2.11	Preferred stocks of affiliates .....	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....3,099	.....3,099
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans .....	(c) .....	.....
4.	Real estate .....	(d) .....	.....
5.	Contract loans.....	.....	.....
6.	Cash/short-term investments .....	(e) .....1,511	.....3,223
7.	Derivative instruments .....	(f) .....	.....
8.	Other invested assets .....	.....0	.....0
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income .....	12,310	13,922
11.	Investment expenses .....		(g) .....52
12.	Investment taxes, licenses and fees, excluding federal income taxes .....		(g) .....
13.	Interest expense .....		(h) .....
14.	Depreciation on real estate and other invested assets .....		(i) .....
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total (Lines 11 through 15) .....		.....52
17.	Net Investment Income - (Line 10 minus Line 16)		13,870
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0
1501.	.....		.....
1502.	.....		.....
1503.	.....		.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Total (Lines 1501 through 1503 plus 1598) (Line 15, above)		0

(a) Includes \$ .....accrual of discount less \$ .....159 amortization of premium and less \$ .....paid for accrued interest on purchases.  
(b) Includes \$ .....accrual of discount less \$ .....amortization of premium and less \$ .....paid for accrued dividends on purchases.  
(c) Includes \$ .....accrual of discount less \$ .....amortization of premium and less \$ .....paid for accrued interest on purchases.  
(d) Includes \$ .....for company's occupancy of its own buildings; and excludes \$ .....interest on encumbrances.  
(e) Includes \$ .....accrual of discount less \$ .....amortization of premium and less \$ .....paid for accrued interest on purchases.  
(f) Includes \$ .....accrual of discount less \$ .....amortization of premium.  
(g) Includes \$ .....investment expenses and \$ .....investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.  
(h) Includes \$ .....interest on surplus notes and \$ .....interest on capital notes.  
(i) Includes \$ .....depreciation on real estate and \$ .....depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Net Gain (Loss) from Change in Difference Between Basis Book/ Adjusted Carrying and Admitted Values	Total
1.	U.S. Government bonds .....					
1.1	Bonds exempt from U.S. tax .....					
1.2	Other bonds (unaffiliated) .....					
1.3	Bonds of affiliates .....					
2.1	Preferred stocks (unaffiliated) .....					
2.11	Preferred stocks of affiliates .....					
2.2	Common stocks (unaffiliated) .....					
2.21	Common stocks of affiliates .....					
3.	Mortgage loans .....					
4.	Real estate .....					
5.	Contract loans .....					
6.	Cash/Short-term investments .....					
7.	Derivative instruments .....					
8.	Other invested assets .....					
9.	Aggregate write-ins for capital gains (losses) .....					
10.	Total capital gains (losses)					
DETAILS OF WRITE-INS						
0901.	.....					
0902.	.....					
0903.	.....					
0998.	Summary of remaining write-ins for Line 9 from overflow page .....					
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)					



EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) or Decrease
1. Summary of Items Page 2, Lines 10 to 13 and 15 to 20, Column 2 .....	0	1,497	1,497
2. Other Non-Admitted Assets:			
2.1 Bills receivable.....		0	0
2.2 Leasehold improvements.....		0	0
2.3 Cash advanced to or in hands of officers and agents.....		0	0
2.4 Loans on personal security, endorsed or not.....			0
2.5 Commuted commissions.....			0
3. Total (Lines 2.1 to 2.5) .....	0	0	0
4. Aggregate write-ins for other assets.....	0	3,985	3,985
5. Total (Line 1 plus Lines 3 and Line 4)	0	5,482	5,482
0401. Prepaid Expenses.....	0	3,985	3,985
0402. ....		0	0
0403. ....			
0498. Summary of remaining write-ins for Line 4 from overflow page .....	0	0	0
0499. Totals (Lines 0401 thru 0403 plus 0498) (Line 4 above)	0	3,985	3,985

EXHIBIT 2 - ENROLLMENT BY PRODUCT TYPE

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	.0					
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	.0					
4. Point of Service.....	.0					
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business	1,430	1,380	1,296	391	0	10,495
7. Total	1,430	1,380	1,296	391	0	10,495
DETAILS OF WRITE-INS						
0601. Dental.....	1,430	1,380	1,296	391	.0	10,495
0602. ....						
0603. ....						
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	1,430	1,380	1,296	391	0	10,495

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Denticare of Arkansas, Inc. are presented on the basis of accounting practices prescribed or permitted by the Arkansas Insurance Department.

The Arkansas Insurance Department recognizes only statutory practices prescribed or permitted by the state of Arkansas for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Arkansas Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Arkansas, except to the extent that state law may differ or that state rules or regulations require differences in reporting not related to accounting practices and procedures. The Commissioner of Insurance of the state has the right to permit other specific practice that deviate from prescribed accounting practices.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Premiums billed to individual and group subscribers are recognized as revenue in the month in which subscribers are entitled to receive dental care. The allowance for doubtful accounts for uncollectible premiums over 90 days past due is recorded as an expense when established. The Company contracts with dentists (providers) for dental services to be provided to its subscribers. Provider capitation consists of monthly fees paid to providers and is expensed in the month in which the provider is obligated to render dental services. Emergency services to members while temporarily out of their provider's area, as well as specialty services not covered by capitation fees, are recorded as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments include highly liquid debt instruments with an original maturity of one year or less.
- (2) Investments are valued in accordance with rules prescribed by the National Association of Insurance Commissioner (NAIC) as permitted by the Arkansas Department of Insurance. Bonds are carried at amortized cost.
- (3) The Company has no common stock investments.
- (4) The Company has no preferred stock investments.
- (5) The Company has no mortgage loan investments.
- (6) The Company has no loan-backed securities.
- (7) The Company does not own any shares of an upstream or intermediate parent or affiliate, either directly or indirectly.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The Company has no investment in derivative instruments.
- (10) The reserve for costs expected to be incurred for services approved during the year, as well as costs incurred but not reported, are actuarial estimates based on the Company's historical claims data.
- (11) The reserve for costs expected to be incurred for services approved during the year, as well as costs incurred but not reported, are actuarial estimates based on the Company's historical claims data.

2. Accounting Changes and Corrections of Errors

The Company prepares its statutory financial statements in conformity with accounting principles prescribed or permitted by the State of Arkansas. Effective January 1, 2001, the State of Arkansas required that insurance companies domiciled in the State of Arkansas prepare their statutory basis financial statements in accordance with the NAIC *Accounting Practices and Procedures* manual – Version effective January 1, 2001, subject to any deviations prescribed or permitted by the State of Arkansas insurance commissioner.

Accounting changes adopted to conform to the provisions of the NAIC *Accounting Practices and Procedures* manual – Version effective January 1, 2001, are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is reported as an adjustment to unassigned funds (surplus) in the period of the change in accounting principle. The cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all prior periods. As a result of these changes, the Company reported a change of

NOTES TO FINANCIAL STATEMENTS

accounting principle, as an adjustment that increased unassigned funds (surplus), of \$5,054 as of January 1, 2001.

3. Business Combination and Goodwill
- A. Statutory Purchase Method

The Company was not involved in an acquisition during the period covered by this statement.

B. Statutory Merger

The Company was not party to a merger or consolidation during the period covered by this statement.

C. Impairment Loss

The Company did not recognize an impairment loss during the period covered by this statement.
4. Discontinued Operations
- The Company did not discontinue any of its business operations.
5. Investments
- A. Mortgage Loans

The Company has no investment in mortgage loans.

B. Debt Restructuring

The Company is not a creditor Debt Restructuring.

C. Reserve Mortgage

The Company does not have any Reserve Mortgages.

D. Loan-Backed Securities

The Company does not have any Loan-Backed Securities.

E. Repurchase Agreements

The Company does not have any repurchase agreements.
6. Joint Ventures, Partnerships and Limited Liability Companies
- The Company has no investment in Joint Ventures, Partnerships or Limited Liability Companies.
7. Investment Income
- (1) Due and accrued income is excluded from surplus on the following basis:

All investment income due and accrued with amounts that are over 90 days past due.

(2) The Company did not have any investment income due and accrued over 90 days past due.
8. Derivative Instruments
- The Company has no investment in derivative instruments.
9. Income Taxes

A.	The components of the net deferred tax asset/(liability) are as follows:			
		12/31/2002	12/31/2001	
	Total of gross deferred tax assets (admitted and nonadmitted)	\$ 0	\$2,142	
	Total of gross deferred tax liabilities	0	0	
	Net deferred tax asset/(liability)	0	2,142	
	Nonadmitted deferred tax assets	0	1,497	
	Net admitted deferred tax asset(liability)	\$ 0	\$ 645	
	(Increase)decrease in nonadmitted asset	\$1,497	\$3,054	
C.	(1) The provision for incurred taxes on earnings for the year ended December 31 are:			
		2002	2001	
	Federal	\$(4,691)	\$12,723	
	Adjust prior year taxes	0	0	
	Federal income taxes incurred	\$(4,691)	\$12,723	
	(2) The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:			
	Deferred tax assets:	12/31/2002	12/31/2001	
	Allowance for premium due	\$0	\$ 645	
	Unassigned dental capitation	0	1,497	
	Total deferred tax assets	0	2,142	
	Nonadmitted deferred tax assets	0	1,497	
	Admitted deferred tax assets	0	645	
	Deferred tax liabilities:			
	Other	0	0	
	Total deferred tax liabilities	0	0	

NOTES TO FINANCIAL STATEMENTS

		Net admitted deferred tax asset (liability)	\$0	\$ 645	
	(3)	The change in net deferred income taxes is comprised of the following:			
			12/31/2002	12/31/2001	Change
		Total deferred tax assets	\$0	\$2,142	\$(2,142)
		Total deferred tax liabilities	0	0	0
		Net deferred tax asset (liability)	\$0	\$2,142	\$(2,142)
		Change in net deferred income tax			\$(2,142)
D.		The provision for federal and foreign income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The significant items causing this difference are as follows:			
			12/31/2002	Tax Effect at	Effective
			Amount	35%	Tax Rate
		Provision computed at statutory rate	\$30,579	\$10,703	35.00 %
		Other	(1,511)	(529)	(1.72)%
		Total	\$29,065	\$10,174	33.28 %
		Federal and foreign income taxes incurred	\$ 8,032		
		Change in net deferred income taxes	2,142		
		Total statutory income taxes	\$10,174		

- F. (1) The Company files a consolidated federal income tax return with its parent, Fortis, Inc., AB Warranty Co., Adjusco, Inc. (fka Insureco Adjusters, Inc.), American Association for Financial Institution Services, American Bankers Capital, Inc., American Bankers General Agency, Inc., American Bankers Insurance Co. of Florida, American Bankers Insurance Group, American Bankers Management Co., Inc., American Bankers Sales Corp., American Reliable Insurance Co., American Security Co., American Security Insurance Co., American Summit General Agency, Inc., Assurant Reinsurance of Turks & Caicos, Ltd., Bankers Atlantic Reinsurance Co., Computer Insurance Agency, Inc. (CA), Consumer Assist Network Association, Inc., CORE, Inc., Crown Valley Insurance Agency of Florida, Inc., Crown Valley Insurance Agency, Inc., Dental Care Holdings, Inc., Denticare of Alabama, Inc., Denticare of Arkansas, Inc., Denticare of Oklahoma, Inc., Denticare, Inc. (FL), Denticare, Inc. (KY), Disability Reinsurance Management Services, Inc., EGC Management Corp., Federal Warranty Service Corp., Financial Exchange, Inc., Financial Insurance Exchange, Inc., Florida Office Corp., Fortis Benefits DentalCare of New Jersey, Inc., Fortis Benefits DentalCare of Wisconsin, Inc., Fortis Benefits Insurance Co., Fortis Family, Inc., Fortis Insurance Co., Fortis Legacy Place, Inc., Gala, Inc., Georgia Dental Plan, Inc., Guardian Investment Services, Inc., Guardian Travel, Inc., Gulf Atlantic Insurance Agency, Inc., ICP Miami I Corp., ICP Miami II Corp., Insureco Agency and Insurance Services, Inc. (AL), Insureco Agency and Insurance Services, Inc. (CA), Insureco Agency and Insurance Services, Inc. (HI), Insureco Agency and Insurance Services, Inc. (KY), Insureco Agency and Insurance Services, Inc. (MA), Insureco Agency and Insurance Services, Inc. (NV), Insureco Agency and Insurance Services, Inc. (OH), Insureco Agency and Insurance Services, Inc. (TX), Insureco Inc., Insureco Services, Inc., Interfinancial, Inc., Interfinancial Services Corp., International Dental Plans, Inc., International Financial Group, Inc., JA Services, Inc., Jacksonville Apartments Corp., John Alden Financial Corp., John Alden Horizon Health, Inc., John Alden Service Warranty Corp., John Alden Service Warranty Corp. of Florida, John Alden Systems Co., MS Diversified Corp., MS Financial Services, Inc., MS Loan Center, Inc., National Insurance Agency, Inc., NSM Sales Corp., PAS Financial Group, Inc., Quail Roost Properties, The Remembrance Institute, Inc., Roadgard Motor Club, Inc., Safeware – The Insurance Agency, Inc., Specialty Lloyds Insurance Co., SSDC Corp., Standard Guaranty Insurance Co., Sureway, Inc., UDC Dental California, Inc., UDC Life and Health Insurance Co., UDC Ohio, Inc., Union Security Life Insurance Co., United Dental Care Insurance Co., United Dental Care of Arizona, Inc., United Dental Care of Colorado, Inc., United Dental Care of Indiana, Inc., United Dental Care of Michigan, Inc., United Dental Care of Missouri, Inc., United Dental Care of Nebraska, Inc., United Dental Care of New Mexico, Inc., United Dental Care of Pennsylvania, Inc., United Dental Care of Texas, Inc., United Dental Care of Utah, Inc., United Dental Care, Inc., United Family Life Insurance Co., United Service Protection Corp., United Service Protection, Inc., Voyager American Insurance Co., Ltd., Voyager Group, Inc., Voyager Indemnity Insurance Co., Voyager Life and Health Insurance Co., Voyager Life Insurance Co., Voyager Property and Casualty Insurance Co., Voyager Service Programs, Inc., Voyager Service Warranties, Inc.
- (2) The method of allocation between the affiliates is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Intercompany tax balances are settled no later than the due date for corresponding tax payments or upon receipt of a refund.

NOTES TO FINANCIAL STATEMENTS

- A., B., & C. The Company did not pay any common stock dividends to the Parent Company in 2002.
- D. At December 31, 2002, the Company reported \$0 as amounts due to the Parent Company, Dental Care Holdings, Inc. The terms of the settlement require that these amounts settle monthly.
- E. The Company has not entered into any guarantees or undertakings for the benefit of an affiliate, which will result in an actual contingent exposure of the Company’s assets to liability, other than insurance contracts, entered into in the ordinary course of business.
- F. The Parent has agreed to provide certain actuarial investments services with respect to the administration of certain large group dental contracts that are subject to experience rating procedures.
- G. All outstanding shares of the Company are owned by the Parent Company, Dental Care Holdings, Inc., an insurance holding company domiciled in the State of Delaware.
- H. The Company does not own any shares of an upstream or intermediate parent, either directly or indirectly.
- I. The Company does not own any share in an affiliate or other related entity.
- J. The Company did not recognize any impairment.

11. Debt

- A. Capital Notes  
The Company does not have any capital notes.
- B. All Other Debt  
The Company does not have liabilities for borrowed money or reverse repurchase agreements.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

The Company does not have any retirement plans or deferred compensation. The Company does not have any employees.

13. Capital and Surplus, Shareholders’ Dividends Restrictions and Quasi-Reorganizations

- (1) The Company has 1,000,000 shares authorized, 10,000 shares issued and outstanding. All shares are Class A Shares.
- (2) The Company has no preferred stock outstanding.
- (3) Dividends are subject to the approval of the Arkansas Department if such dividend distribution exceeds 10% of prior year statutory surplus. There were no dividends paid during 2002 and 2001.
- (4) Within limitation of (3) above, there are no restrictions placed on the portion of the Company profit that may be paid as ordinary dividends to stockholders.
- (5) Arkansas statutes require the Company to maintain a deposit with the Arkansas Department in the amount of \$100,000.
- (6) The Company does not have any advances to surplus.
- (7) The Company does not hold any preferred stock, stock options or stock purchase warrants.
- (8) The Company does not have special surplus funds.
- (9) The portion of unassigned fund (surplus) represented or reduced by each item below is follows:
  - a. Unrealized gains and losses: \$ 0
  - b. non-admitted asset values: \$ 0
  - c. separate account business: \$ 0
  - d. asset valuation reserve: \$ 0
  - e. provision for reinsurance: \$ 0
- (10) The Company did not issue any surplus debenture or similar obligations during the period covered by this statement.
- (11) The quasi-reorganization is not applicable to this Company.
- (12) The effective date(s) of all quasi-reorganizations in the prior 10 years is/are none.

- 14. A. Contingent Commitments  
The Company does not have any contingent liabilities nor have any reserves been committed to cover any contingent liabilities.
- B. Assessments  
The Company has not been notified of any insolvency that will result in a guaranty fund assessment against the Company at some future date.
- C. All Other Contingencies  
Various lawsuits against the Company have arisen in the course of the Company’s business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

- 15. Leases  
The Company does not have any leases.

## NOTES TO FINANCIAL STATEMENTS

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentration of Credit Risk  
The Company does not have financial instruments with off-balance sheet risk or with concentration of credit risk. The Company maintains depository investments with certain financial institutions. Although these investments may exceed federally insured depository limits, the Company has evaluated the credit worthiness of these applicable financial institutions, and determined the risk of material financial loss due to exposure from credit risk to be minimal.
17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities  
During the period covered by this statement, the Company was not involved in the sale, transfer or servicing of financial assets or the extinguishment of liabilities.
18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans  
The Company does not have any gain or loss from an Uninsured A&H Plans nor does it have any from an Uninsured Portion of Partially Insured Plans.
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators.  
The Company does not have managing general agents/third party administrators.
20. Other Items
  - A. Extraordinary Items  
The Company does not have any extraordinary items to report as of December 31, 2002.
  - B. Troubled Debt Restructuring  
There has been no troubled debt restructuring for the Company.
  - C. Other Disclosures  
The Company does not have any items not recorded in the financial statements that represent segregated funds held for others or pledged to other as collateral.
  - D. Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers  
The Company does not have any account receivables for uninsured plans and amounts due from agents.
  - E. Reinsurance Accounted for as a Deposit  
The Company does have any ceded or assumed reinsurance contracts.
  - F. Multiple Peril Crop Insurance  
The Company does not have any Multiple Peril Crop Insurance Programs.
  - G. Mezzanine Real Estate Loans  
The Company does not hold any mortgage loans.
  - H. Health Care Receivables  
The Company does not have any health care receivables.
  - I. September 11 Events  
The Company did not recognize any financial loss as a result of the terrorist attacks on September 11. The Company does not expect to have any contingencies or unpaid claims or losses to have an impact on its financial statements in the future.
  - J. Real Estate  
The Company does not have any investments in real estate.
  - K. Participating Policies  
The Company does not have any participating policies.
  - L. Premium Deficiency Reserves  
The Company has no liabilities related to premium deficiency reserves.
  - M. Intercompany Pooling Arrangements  
The Company is not involved in any intercompany pooling arrangements.
  - N. Business Combinations and Goodwill – Assumption Reinsurance  
The Company does not have any assumed reinsurance business.
  - O. Noncash Transactions  
The Company had no noncash investing or financing transactions.
  - P. Business Interruption Insurance Recoveries  
The Company had no business interruption recoveries.
21. Events Subsequent  
There were no events occurring subsequent to close of the books for this statement that would have a material effect on the financial condition of the Company.
22. Reinsurance  
The Company does not have any assumed or ceded reinsurance business.
23. Retrospectively Rated Contracts  
The Company does not have any retrospectively rated contracts.
24. Organization and Operation  
Denticare of Arkansas, Inc. operates as a health maintenance organization that contracts with independent practitioners to provide dental services to its members. The Company was incorporated on April 4, 1986, and commenced business on November 3, 1986. Effective December 31, 2001, the Company became a wholly owned subsidiary of Dental Care Holdings, Inc. Fortis, Inc. owns 100% of the stock of Dental Care Holdings, Inc., an insurance holding company.

NOTES TO FINANCIAL STATEMENTS

The Company contracts with dentist (providers) for dental services to be provided to its subscribers. Provider capitation consists of monthly fees paid to providers and is expensed in the month in which the provider is obligated to render dental services. Emergency services to members while temporarily out of their provider’s area, as well as specialty services not covered by capitation fees, are recorded as incurred.

25. Salvage and Subrogation
- The Company does not have any salvage or subrogation.
26. Change in Incurred Claims and Claims Adjustment Expenses
- Reserves for incurred claims expenses attributable to insured events of prior years decreased by \$4,293 from \$4,295 2001 to \$2 in 2002 as a result of re-estimation of unpaid specialty benefits claims. The increase (decrease) is generally the result of ongoing analysis of recent loss development trends. The original estimates are increased and decreased, as additional information becomes known regarding claims.
27. Minimum Net Worth
- Under the laws of the State of Arkansas, the Company is required to maintain a minimum net worth as set forth in the RBC calculation.



SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. Treasury securities .....	110,656	21.770	110,656	21.770
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies .....		0.000		0.000
1.22 Issued by U.S. government sponsored agencies .....		0.000		0.000
1.3 Foreign government (including Canada, excluding mortgaged-backed securities) .....		0.000		0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations .....		0.000		0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations .....		0.000		0.000
1.43 Revenue and assessment obligations .....		0.000		0.000
1.44 Industrial development and similar obligations .....		0.000		0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA .....		0.000		0.000
1.512 Issued by FNMA and FHLMC .....		0.000		0.000
1.513 Privately issued .....		0.000		0.000
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC .....		0.000		0.000
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC .....		0.000		0.000
1.523 All other privately issued .....		0.000		0.000
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO) .....		0.000		0.000
2.2 Unaffiliated foreign securities .....		0.000		0.000
2.3 Affiliated securities .....		0.000		0.000
3. Equity interests:				
3.1 Investments in mutual funds .....		0.000		0.000
3.2 Preferred stocks:				
3.21 Affiliated .....		0.000		0.000
3.22 Unaffiliated .....		0.000		0.000
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated .....		0.000		0.000
3.32 Unaffiliated .....		0.000		0.000
3.4 Other equity securities:				
3.41 Affiliated .....		0.000		0.000
3.42 Unaffiliated .....		0.000		0.000
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated .....		0.000		0.000
3.52 Unaffiliated .....		0.000		0.000
4. Mortgage loans:				
4.1 Construction and land development .....		0.000		0.000
4.2 Agricultural .....		0.000		0.000
4.3 Single family residential properties .....		0.000		0.000
4.4 Multifamily residential properties .....		0.000		0.000
4.5 Commercial loans .....		0.000		0.000
5. Real estate investments:				
5.1 Property occupied by the company .....		0.000	0	0.000
5.2 Property held for the production of income (includes \$ ..... of property acquired in satisfaction of debt) .....		0.000	0	0.000
5.3 Property held for sale (\$ ..... including property acquired in satisfaction of debt) .....		0.000	0	0.000
6. Policy loans .....		0.000		0.000
7. Receivables for securities .....		0.000	0	0.000
8. Cash and short-term investments .....	397,636	78.230	397,636	78.230
9. Other invested assets .....		0.000		0.000
10. Total invested assets	508,292	100.000	508,292	100.000

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ NA ☐
- 1.3

State Regulating?

Arkansas
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:

If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2000
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2000
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

04/24/2002
- 3.4

By what department or departments?

Arkansas Department of Insurance
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business?

Yes ☐ No ☒

4.12 renewals?

Yes ☐ No ☒
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business?

Yes ☐ No ☒

4.22 renewals?

Yes ☐ No ☒
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes ☐ No ☒
- 6.2

If yes, give full information:
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☒ No ☐
- 7.2

If yes,

7.21 State the percentage of foreign control;

100.0

7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney in fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity
The Netherlands, Belgium	Corporation

GENERAL INTERROGATORIES

(continued)

8.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
PriceWaterhouseCoopers, LLP, 1055 Broadway, 10th Floor, Kansas City, MO 64105-1595.....
9.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Julie M. Bosworth, FSA, MAAA is an employee of Fortis Benefits Insurance Company, an affiliate company.  
2323 Grand Boulevard, Kansas City, MO 64108-2670.....
10.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 10.1

What changes have been made during the year in the United States Manager or the United States Trustees of the reporting entity?  
N/A.....
- 10.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? .....
- 10.3

Have there been any changes made to any of the trust indentures during the year? .....
- 10.4

If answer to (10.3) is yes, has the domiciliary or entry state approved the changes? .....
- Yes [ ]

No [ ]

NA [ ]

BOARD OF DIRECTORS

11.

Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? .....
12.

Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? .....
13.

Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees which is in or likely to conflict with the official duties of such person?.
- Yes [ X ]

No [ ]

Yes [ X ]

No [ ]

Yes [ X ]

No [ ]

FINANCIAL

- 14.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 14.11

To directors or other officers ..
- 14.12

To stockholders not officers ...
- 14.13

Trustees, supreme or grand (Fraternal only) .....
- 14.2

Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 14.21

To directors or other officers ...
- 14.22

To stockholders not officers ....
- 14.23

Trustees, supreme or grand (Fraternal only) .....
- 15.1

Were any of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this statement? .....
- 15.2

If yes, state the amount thereof at December 31 of the current year:
- 15.21

Rented from others .....
- 15.22

Borrowed from others .....
- 15.23

Leased from others .....
- 15.24

Other .....
- Disclose in Notes to Financial Statements the nature of each of these obligations.
- 16.1

Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? .....
- 16.2

If answer is yes,
- 16.21

Amount paid as losses or risk adjustment .....
- 16.22

Amount paid as expenses .....
- 16.23

Other amounts paid .....
- Yes [ ]

No [ X ]

Yes [ ]

No [ X ]

Yes [ ]

No [ X ]

GENERAL INTERROGATORIES  
(continued)  
INVESTMENT

17. List the following capital stock information for the reporting entity:

Class	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price if Callable	5 Is Dividend Rate Limited?		6 Are Dividends Cumulative?	
					Yes	No	Yes	No
Preferred					[ ]	[ ]	[ ]	[ ]
Common	1,000,000	10,000	0.100	XXX	XXX	XXX	XXX	XXX

18.1. Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 2 - Special Deposits? ..... Yes [ X ] No [ ]

18.2 If no, give full and complete information relating thereto:

19.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on the Schedule E - Part 2 - Special Deposits; or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 15.1) ..... Yes [ ] No [ X ]

19.2 If yes, state the amount thereof at December 31 of the current year:

19.21

Loaned to others .....

\$.....

19.22

Subject to repurchase agreements .....

\$.....

19.23

Subject to reverse repurchase agreements .....

\$.....

19.24

Subject to dollar repurchase agreements .....

\$.....

19.25

Subject to reverse dollar repurchase agreements .....

\$.....

19.26

Pledged as collateral .....

\$.....

19.27

Placed under option agreements .....

\$.....

19.28

Letter stock or other securities restricted as to sale ...

\$.....

19.29

Other .....

\$.....

19.3 For each category above, if any of these assets are held by others, identify by whom held:

19.31 .....

19.35 .....

19.32 .....

19.36 .....

19.33 .....

19.37 .....

19.34 .....

19.38 .....

19.39 .....

For categories (19.21) and (19.23) above, and for any other securities that were made available for use by another person during the period covered by this statement, attach a schedule as shown in the instructions to the annual statement.

19.4 For category (19.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....	.....	.....

20.1 Does the reporting entity have any hedging transactions reported on Schedule DB? ..... Yes [ ] No [ X ]

20.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes [ ] No [ ] NA [ X ]  
If no, attach a description with this statement.

21.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? ..... Yes [ ] No [ X ]

21.2. If yes, state the amount thereof at December 31 of the current year. .... \$.....

22. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?..... Yes [ X ] No [ ]

22.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
Marshall & Ilsley Trust Company.....	1000 N Water Street, Milwaukee, WI 53202.....
Bank of America, N.A.....	200 West Capital Ave., P.O. Box 1681, Little Rock, AR 72203.....

GENERAL INTERROGATORIES  
(continued)  
INVESTMENT

22.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

22.03 Have there been any changes, including name changes, in the custodian(s) identified in 22.01 during the current year?..... Yes [   ] No [ X ]

22.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

22.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address

OTHER

23.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?..... \$ .....

23.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
NONE.....	\$ .....
	\$ .....
	\$ .....

24.1 Amount of payments for legal expenses, if any?..... \$ .....

24.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
NONE.....	\$ .....
	\$ .....

25.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ .....

25.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
NONE.....	\$ .....

GENERAL INTERROGATORIES
(continued)

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [ X ]
1.2 If yes, indicate premium earned on U. S. business only \$
1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$
1.31 Reason for excluding
1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$
1.5 Indicate total incurred claims on all Medicare Supplement Insurance. \$
1.6 Individual policies:
Most current three years:
1.61 Total premium earned \$ 0
1.62 Total incurred claims \$ 0
1.63 Number of covered lives \$ 0
All years prior to most current three years:
1.64 Total premium earned \$ 0
1.65 Total incurred claims \$ 0
1.66 Number of covered lives \$ 0
1.7 Group policies:
Most current three years:
1.71 Total premium earned \$ 0
1.72 Total incurred claims \$ 0
1.73 Number of covered lives \$ 0
All years prior to most current three years:
1.74 Total premium earned \$ 0
1.75 Total incurred claims \$ 0
1.76 Number of covered lives \$ 0
2.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [ ] No [ X ]
2.2 If yes, give particulars:
3.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and departments been filed with the appropriate regulatory agency? Yes [ X ] No [ ]
3.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [ ] No [ ]
4.1 Does the reporting entity have stop-loss reinsurance? Yes [ ] No [ X ]
4.2 If no, explain:
The entity operates a prepaid dental plan and does not retain claim risk.
4.3 Maximum retained risk (see instructions)
4.31 Comprehensive Medical \$
4.32 Medical Only \$
4.33 Medicare Supplement \$
4.34 Dental \$
4.35 Other Limited Benefit Plan \$
4.36 Other \$
5. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
The entity does not retain claim risk and providers are required by contract to provide services to active members.
6.1 Does the reporting entity set up its claim liability for provider services on a service data base? Yes [ ] No [ X ]
6.2 If no, give details:
Not applicable since the entity operates a prepaid dental plan.
7. Provide the following Information regarding participating providers:
7.1 Number of providers at start of reporting year 27
7.2 Number of providers at end of reporting year 24
8.1 Does the reporting entity have business subject to premium rate guarantees? Yes [ X ] No [ ]
8.2 If yes, direct premium earned:
8.21 Business with rate guarantees between 15-36 months 8,082
8.22 Business with rate guarantees over 36 months
9.1 Does the reporting entity have Bonus/Withhold Arrangements in its provider contract? Yes [ ] No [ X ]
9.2 If yes:
9.21 Maximum amount payable bonuses \$0
9.22 Amount actually paid for year bonuses \$
9.23 Maximum amount payable withholds \$
9.24 Amount actually paid for year withholds \$
10. List service areas in which reporting entity is licensed to operate:

Table with 1 column: Name of Service Area. Row 1: In the following counties in Arkansas: Conway, Logan, Crittenden, Lonoke, Faulkner, Pulaski, Garland, Saline, Jackson, Sebastian, Jefferson, Washington, Lee, and White.

FIVE-YEAR HISTORICAL DATA

	1 2002	2 2001	3 2000	4 1999	5 1998
<b>BALANCE SHEET ITEMS (Pages 2 and 3)</b>					
1. Total admitted assets (Page 2, Line 23) .....	521,396	500,150	498,607	492,102	460,608
2. Total liabilities (Page 3, Line 18) .....	7,689	29,383	35,782	59,453	79,482
3. Statutory surplus .....	512,707	469,767	0	0	0
4. Total capital and surplus (Page 3, Line 26) .....	513,707	470,767	432,825	432,649	381,126
<b>INCOME STATEMENT ITEMS (Page 4)</b>					
5. Total revenues (Line 7) .....	82,830	164,277	293,862	310,954	358,185
6. Total medical and hospital expenses (Line 17) .....	31,896	71,617	170,051	168,731	190,270
7. Total administrative expenses (Line 19) .....	29,896	55,505	112,413	104,001	41,281
8. Net underwriting gain (loss) (Line 22) .....	21,038	37,155	11,398	38,222	126,634
9. Net investment gain (loss) (Line 25) .....	13,870	7,269	5,321	4,807	8,257
10. Total other income (Lines 26 plus 27) .....	0	244	721	3,213	7,205
11. Net income (loss) (Line 30) .....	39,599	44,668	17,441	44,310	95,230
<b>RISK - BASED CAPITAL ANALYSIS</b>					
12. Total adjusted capital .....	513,707	470,767	432,825	432,649	0
13. Authorized control level risk-based capital .....	25,122	25,098	25,369	23,613	0
<b>ENROLLMENT (Exhibit 2)</b>					
14. Total members at end of period (Column 5, Line 7) .....	0	1,430	2,695	3,111	3,465
15. Total member months (Column 6, Line 7) .....	10,495	23,710	36,446	37,787	43,733
<b>OPERATING PERCENTAGE (Page 4)</b> <b>(Item divided by Page 4, sum of Line 2, 3 and 5)</b>					
16. Premiums earned (Line 2 plus 3) .....	100.0	100.0	100.0	100.0	100.0
17. Total medical and hospital (Line 17) .....	38.5	46.3	57.9	54.3	53.1
18. Total underwriting deductions (Line 21) .....	74.6	82.2	96.1	87.7	64.6
19. Total underwriting gain (loss) (Line 22) .....	25.4	24.0	3.9	12.3	35.4
<b>UNPAID CLAIMS ANALYSIS</b> <b>(U&amp;I Exhibit, Part 2B)</b>					
20. Total claims incurred for prior years (Line 11, Col. 5) .....	0	0	0	14,259	0
21. Estimated liability of unpaid claims – [prior year (Line 11, Col. 6)] .....	4,295	13,038	4,360	14,259	0

FIVE-YEAR HISTORICAL DATA (Continued)

	1 2002	2 2001	3 2000	4 1999	5 1998
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
22. Affiliated bonds (Sch. D Summary, Line 25, Col. 1) .....	0	0	0	0	0
23. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1) .....	0	0	0	0	0
24. Affiliated common stocks (Sch. D Summary, Line 53, Col. 2) .....	0	0	0	0	0
25. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 11) .....	0	0	0	0	0
26. Affiliated mortgage loans on real estate .....		0	0	0	0
27. All other affiliated .....		0	0	0	0
28. Total of above Lines 22 to 27	0	0	0	0	0



SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year					
Description		1 Book/Adjusted Carrying Value	2 Fair Value (a)	3 Actual Cost	4 Par Value of Bonds
<b>BONDS</b> Governments (Including all obligations guaranteed by governments)	1. United States .....	110,656	127,532	111,040	110,000
	2. Canada .....	0	0	0	0
	3. Other Countries .....	0	0	0	0
	4. Totals	110,656	127,532	111,040	110,000
States, Territories and Possessions (Direct and guaranteed)	5. United States .....	0	0	0	0
	6. Canada .....	0	0	0	0
	7. Other Countries .....	0	0	0	0
	8. Totals	0	0	0	0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States.....	0	0	0	0
	10. Canada.....	0	0	0	0
	11. Other Countries .....	0	0	0	0
	12. Totals	0	0	0	0
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States .....	0	0	0	0
	14. Canada .....	0	0	0	0
	15. Other Countries .....	0	0	0	0
	16. Totals	0	0	0	0
Public Utilities (unaffiliated)	17. United States .....	0	0	0	0
	18. Canada .....	0	0	0	0
	19. Other Countries .....	0	0	0	0
	20. Totals	0	0	0	0
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States .....	0	0	0	0
	22. Canada .....	0	0	0	0
	23. Other Countries .....	0	0	0	0
	24. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	25. Totals	0	0	0	0
	26. <b>Total Bonds</b>	110,656	127,532	111,040	110,000
<b>PREFERRED STOCKS</b> Public Utilities (unaffiliated)	27. United States .....	0	0	0	
	28. Canada .....	0	0	0	
	29. Other Countries .....	0	0	0	
	30. Totals	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	31. United States .....	0	0	0	
	32. Canada .....	0	0	0	
	33. Other Countries .....	0	0	0	
	34. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	35. United States .....	0	0	0	
	36. Canada .....	0	0	0	
	37. Other Countries .....	0	0	0	
	38. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	39. Totals	0	0	0	
	40. <b>Total Preferred Stocks</b>	0	0	0	
<b>COMMON STOCKS</b> Public Utilities (unaffiliated)	41. United States .....	0	0	0	
	42. Canada .....	0	0	0	
	43. Other Countries .....	0	0	0	
	44. Totals	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	45. United States .....	0	0	0	
	46. Canada .....	0	0	0	
	47. Other Countries .....	0	0	0	
	48. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	49. United States .....	0	0	0	
	50. Canada .....	0	0	0	
	51. Other Countries .....	0	0	0	
	52. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	53. Totals	0	0	0	
	54. <b>Total Common Stocks</b>	0	0	0	
	55. <b>Total Stocks</b>	0	0	0	
	56. <b>Total Bonds and Stocks</b>	110,656	127,532	111,040	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$ .....

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year .....	110,816	6. Foreign Exchange Adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3 .....	750,056	6.1 Column 17, Part 1 .....	0
3. Increase (decrease) by adjustment:		6.2 Column 13, Part 2, Sec. 1 .....	0
3.1 Column 16, Part 1 .....	(159)	6.3 Column 11, Part 2, Sec. 2 .....	0
3.2 Column 12, Part 2, Sec. 1 .....	0	6.4 Column 11, Part 4 .....	0
3.3 Column 10, Part 2, Sec. 2 .....	0		
3.4 Column 10, Part 4 .....	0		
4. Total gain (loss), Col. 14, Part 4 .....	0	7. Book/adjusted carrying value at end of current period .....	110,657
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4 .....	750,056	8. Total valuation allowance .....	
		9. Subtotal (Lines 7 plus 8) .....	110,657
		10. Total nonadmitted amounts .....	
		11. Statement value of bonds and stocks, current period .....	110,657

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	2	Direct Business Only			
				3	4	5	6
States, Etc.		Guaranty Fund (Yes or No)	Is Insurer Licensed? (Yes or No)	Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums
1. Alabama	AL	No	No				
2. Alaska	AK	No	No				
3. Arizona	AZ	No	No				
4. Arkansas	AR	No	Yes	80,828			
5. California	CA	No	No				
6. Colorado	CO	No	No				
7. Connecticut	CT	No	No				
8. Delaware	DE	No	No				
9. District of Columbia	DC	No	No				
10. Florida	FL	No	No				
11. Georgia	GA	No	No				
12. Hawaii	HI	No	No				
13. Idaho	ID	No	No				
14. Illinois	IL	No	No				
15. Indiana	IN	No	No				
16. Iowa	IA	No	No				
17. Kansas	KS	No	No				
18. Kentucky	KY	No	No				
19. Louisiana	LA	No	No				
20. Maine	ME	No	No				
21. Maryland	MD	No	No				
22. Massachusetts	MA	No	No				
23. Michigan	MI	No	No				
24. Minnesota	MN	No	No				
25. Mississippi	MS	No	No				
26. Missouri	MO	No	No				
27. Montana	MT	No	No				
28. Nebraska	NE	No	No				
29. Nevada	NV	No	No				
30. New Hampshire	NH	No	No				
31. New Jersey	NJ	No	No				
32. New Mexico	NM	No	No				
33. New York	NY	No	No				
34. North Carolina	NC	No	No				
35. North Dakota	ND	No	No				
36. Ohio	OH	No	No				
37. Oklahoma	OK	No	No				
38. Oregon	OR	No	No				
39. Pennsylvania	PA	No	No				
40. Rhode Island	RI	No	No				
41. South Carolina	SC	No	No				
42. South Dakota	SD	No	No				
43. Tennessee	TN	No	No				
44. Texas	TX	No	No				
45. Utah	UT	No	No				
46. Vermont	VT	No	No				
47. Virginia	VA	No	No				
48. Washington	WA	No	No				
49. West Virginia	WV	No	No				
50. Wisconsin	WI	No	No				
51. Wyoming	WY	No	No				
52. American Samoa	AS	No	No				
53. Guam	GU	No	No				
54. Puerto Rico	PR	No	No				
55. U.S. Virgin Islands	VI	No	No				
56. Canada	CN	No	No				
57. Aggregate other alien	OT	XXX	XXX	0	0	0	0
58. Total (Direct Business)		XXX	(a) 1	80,828	0	0	0
DETAILS OF WRITE-INS							
5701. ....							
5702. ....							
5703. ....							
5798. Summary of remaining write-ins for Line 57 from overflow page .....				0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)				0	0	0	0

Explanation of basis of allocation by states, premiums by state, etc.:

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER AND HMO MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Fortis (SA/NV) and Fortis N.V.	Owns 100% of Fortis Utrecht	NETHERLANDS
Fortis Utrecht	Owns 75% of Fortis Insurance N.V.	NETHERLANDS
Fortis Bank S.A./N.V.	Owns 25% of Fortis Insurance N.V.	NETHERLANDS
Fortis Insurance N.V.	Owns 100% of Fortis, Inc.	FEI 39-1126612 - NV
Fortis, Inc.	Owns 1% of Dental Health Alliance, LLC Owns 100% of Core, Inc. Owns 100% of Dental Care Holdings, Inc. Owns 100% of First Fortis Life Insurance Company Owns 100% of Florida Office Corp. Owns 100% of Fortis Family, Inc. Owns 100% of Fortis Legacy Place, Inc. Owns 100% of Insureco, Inc. Owns 100% of Interfinancial Inc. Owns 100% of Jacksonville Apartments, Inc.	FEI 13-3830846 - DE FEI 04-2828817 - MA FEI 13-4195935 - DE FEI 13-2699219; NAIC 81477 - NY FEI 13-3896525 - DE FEI 58-2315775 - GA FEI 13-3882719 - DE FEI 33-0658229 - CA FEI 13-3036467 - GA FEI 13-3868664 -DE
Core, Inc.	Owns 100% of Disability Reinsurance Management Services, Inc. Owns 100% of SSDC, Corp.	FEI 01-0483086 - DE FEI 38-3357459 - DE
Dental Care Holdings, Inc.	Owns 100% of Denticare of Alabama, Inc. Owns 100% of Denticare of Arkansas, Inc. Owns 100% of Denticare, Inc. (KY) Owns 100% of Denticare, Inc. (FL) Owns 100% of Fortis Benefits DentalCare of New Jersey, Inc. Owns 100% of Fortis Benefits DentalCare of Wisconsin, Inc. Owns 100% of Georgia Dental Plan, Inc. Owns 100% of International Dental Plans, Inc. Owns 100% of UDC Dental California, Inc. dba United Dental Care of California Owns 100% of UDC Ohio, Inc. Owns 100% of United Dental Care Insurance Company Owns 100% of United Dental Care of Arizona, Inc. Owns 100% of United Dental Care of Colorado, Inc. Owns 100% of United Dental Care of Indiana, Inc. Owns 100% of United Dental Care of Michigan, Inc. Owns 100% of United Dental Care of Nebraska, Inc. Owns 100% of United Dental Care of New Mexico, Inc. Owns 100% of United Dental Care of Pennsylvania, Inc.	FEI 59-3063687 - AL FEI 73-1274686; NAIC 95813 - AK FEI 59-2228719; NAIC 96200 - KY FEI 59-1652450; NAIC 52016 - FL FEI 52-1565653; NAIC 11244 - NJ FEI 39-1586450; NAIC 95129 - WI FEI 58-1909945 - GA FEI 59-2327793; NAIC 52011 - FL FEI 33-0360239; NAIC 52031 - CA  FEI 74-2609036; NAIC 52022 - OH FEI 86-0538651; NAIC 97870 - AZ FEI 86-0517444; NAIC 47708 - AZ FEI 86-0631335; NAIC 52032 -CO FEI 31-1307814; NAIC 52034 - IN FEI 38-2833988 - MI FEI 86-0676044; NAIC 52033 - NE FEI 86-0384270; NAIC 47042 - NM FEI 75-2635406; NAIC 47014 - PA

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER AND HMO MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

United Dental Care, Inc.	Owns 100% of United Dental Care of Texas, Inc.	FEI 75-2076282; NAIC 95142 - TX
	Owns 100% of United Dental Care of Utah, Inc.	FEI 75-2635404; NAIC 95450 - UT
	Owns 100% of United Dental Care, Inc.	FEI 63-1197769 - DE
Insureco, Inc.	Owns 100% of Denticare of Oklahoma, Inc.	FEI 73-1153844; NAIC 47023 - OK
	Owns 100% of UDC Life and Health Insurance Company	FEI 73-1394955; NAIC 65929 - OK
	Owns 100% of United Dental Care of Missouri, Inc.	FEI 75-2481527; NAIC 47044 - MO
Insureco Services, Inc.	Owns 100% of Assurant Reinsurance of Turks & Caicos, Ltd.	TURKS & CAICOS
	Owns 100% of Insureco Services, Inc.	FEI 95-2698862 - CA
	Owns 100% of Adjusco, Inc. (fka Insureco Adjusters, Inc.)	FEI 95-2818626 - CA
Interfinancial Inc.	Owns 100% of Crown Valley Insurance Agency of Florida, Inc.	FEI 58-1455734 - FL
	Owns 100% of Crown Valley Insurance Agency, Inc.	FEI 95-3089343 - CA
	Owns 100% of Insureco Agency & Insurance Services, Inc. (CA)	FEI 95-3097622 - CA
American Security Insurance Company	Owns 100% of Insureco Agency & Insurance Services, Inc. (HI)	FEI 95-3990223 - HI
	Owns 100% of Insureco Agency & Insurance Services, Inc. (MA)	FEI 04-3373573 - MA
	Owns 100% of Insureco Agency & Insurance Services, Inc. (NV)	FEI 88-0181942 - NV
Fortis Benefits Insurance Company	Owns 100% of Insureco Agency & Insurance Services, Inc. (OH)	FEI 31-0161049 - OH
	Owns 100% of Insureco Agency & Insurance Services, Inc. (TX)	FEI 74-2230714 - TX
	Owns 100% of American Security Insurance Company	FEI 58-1529575; NAIC 42978 - DE
Houston National Life Insurance Company	Owns 100% of Fortis Benefits Insurance Company	FEI 81-0170040; NAIC 70408 - MN
	Owns 100% of Fortis Insurance Company	FEI 39-0658730; NAIC 69477 - WI
	Owns 100% of John Alden Financial Corporation	FEI 59-2840712 - DE
John Alden Life Insurance Company	Owns 100% of United Family Life Insurance Company	FEI 13-3036472; NAIC 91693 - GA
	Owns 100% of Standard Guaranty Insurance Company	FEI 58-1529579; NAIC 42986 - DE
	Owns 100% of Union Security Life Insurance Company	FEI 58-1529581; NAIC 98884 - DE
John Alden Financial Corporation	Owns 99% of Dental Health Alliance, LLC	FEI 13-3830846 - DE
	Owns 100% of Gala, Inc.	FEI 63-1115291 - AL
	Owns 100% of Houston National Life Insurance Company	FEI 74-2080029; NAIC 90379 - TX
John Alden Life Insurance Company	Owns 100% of JA Services, Inc.	FEI 65-0040859 - DE
	Owns 100% of John Alden Life Insurance Company	FEI 41-0999752; NAIC 65080 - WI
	Owns 100% of Alden Risk Management Services, Inc.	FEI 59-2261315 - NV

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER AND HMO MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

	Owns 100% of North Star Marketing Corporation	FEI 59-2394561 - OH
JA Services, Inc.	Owns 100% of John Alden Horizon Health, Inc.	FEI 65-0457005 - NV
	Owns 100% of John Alden Service Warranty Corporation	FEI 65-0362333 - DE
	Owns 100% of John Alden Service Warranty Corporation of Florida	FEI 65-0362330 - FL
	Owns 100% of John Alden Systems Company	FEI 41-0946005 - MN
	Owns 100% of NSM Sales Corporation	FEI 65-0416844 - NV
United Family Life Insurance Company	Owns 100% of American Bankers Insurance Group	FEI 59-1985922- FL
	Owns 100% of American Memorial Life Insurance Company	FEI 46-0260270; NAIC 67989- SD
American Memorial Life Insurance Company	Owns 100% of Rushmore National Life Insurance Company	FEI 46-0184173; NAIC 68586- SD
American Bankers Insurance Group, Inc.	Owns 100% of AB Warranty Company	FEI 65-0344416 - DE
	Owns 100% of American Bankers Dominicana, S.A.	DOMINICAN REPUBLIC
	Owns 100% of American Bankers Capital, Inc.	FEI 59-2731675 - DE
	Owns 100% of American Bankers Financial Services, L.L.C.	FEI 38-3443906 - MI
	Owns 100% of American Bankers Insurance Company of Florida	FEI 59-0593886; NAIC 10111- FL
	Owns 100% of Assurant Services Ireland, Ltd.	IRELAND
	Owns 100% of American Bankers International Division, Inc.	FEI 66-0568288 - PR
	Owns 100% of American Bankers Life Assurance Company of Florida	FEI 59-0676017; NAIC 60275 - FL
	Owns 100% of American Bankers Management Company, Inc	FEI 65-0597010 - FL
	Owns 100% of American Bankers Sales Corporation, Inc.	FEI 59-1967729 - FL
	Owns 100% of American Reliable Insurance Company	FEI 41-0735002; NAIC 19615 - AZ
	Owns 100% of Assurant Group, Ltd.	UNITED KINGDOM
	Owns 100% of Assurant Membership Services, Inc.	CANADA
	Owns 100% of Assurant Services Denmark A/S	DENMARK
	Owns 100% of Bankers Atlantic Reinsurance Company	FEI 98-0152782 - TURKS & CAICOS
	Owns 100% of Computer Insurance Agency, Inc (CA)	FEI 31-1265003 - CA
	Owns 100% of Dominion Automobile Association	CANADA
	Owns 100% of Federal Warranty Service Corporation	FEI 36-3596362 - IL
	Owns 100% of Financial Exchange, Inc.	FEI 75-1391092 - TX
	Owns 100% of Guardian Investment Services, Inc.	FEI 59-2720545 - FL
	Owns 100% of International Financial Group, Inc.	FEI 75-2533456 - TX
	Owns 100% of MSDiversified Corp.	FEI 64-0660045 - MS
	Owns 100% of National Insurance Agency	FEI 59-1357775 - FL
	Owns 100% of Quail Roost Properties, Inc.	FEI 59-1414202 - FL
	Owns 100% of Roadgard Motor Club, Inc.	FEI 59-2192619 - FL
	Owns 100% of Safeware, The Insurance Agency, Inc. (OH)	FEI 31-1073966 - OH
	Owns 100% of Sureway, Inc.	FEI 59-1532747 - DE
	Owns 100% of Voyager Group, Inc.	FEI 59-1236556 - FL
	Owns 100% of Voyager Life and Health Insurance Company	FEI 58-1023083; NAIC 71196 - GA
	Owns 100% of Voyager Life Insurance Company	FEI 59-1090425; NAIC 66699 - GA
	Owns 100% of Voyager Service Warranties, Inc.	FEI 59-2675787 - FL

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER AND HMO MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

American Bankers Insurance Company of Florida	Owns 54% of Caydeaux Group, Ltd. Owns 100% of American Bankers General Agency, Inc. Owns 100% of EGC Management Corporation	CAYMAN ISLANDS FEI 74-2135158 - TX FEI ; NAIC -
American Bankers International Division, Inc.	Owns 1% of Assurant Services Brasil, Limitada Owns 1% of Assurant Brasil S.A. Owns 74% of Caribbean American Property Insurance Company Owns 100% of ABIG Holding de Espana, S.L. Owns 100% of Caribbean American Insurance Agency Company Owns 100% of Caribbean American Life Assurance Company	BRASIL BRASIL FEI 66-0481184; NAIC 30590 - PR SPAIN FEI 66-0520042 - PR FEI 66-0448783; NAIC 73156 - PR
ABIG Holding de Espana, S.L.	Owns 99% of American Bankers Argentina Compania de Seguros, S.A. Owns 99% of Assurant Brasil S.A. Owns 99% of Assurant Services Brasil, Limitada	ARGENTINA BRASIL BRASIL
Assurant Brasil S.A.	Owns 100% of Assurant Seguradora S.A.	BRASIL
American Bankers Life Assurance Company of Florida	Owns 79% of Condeaux Life Insurance Company	FEI 86-0420893; NAIC 94625 - AZ
American Bankers Management Company, Inc.	Owns 100% of Consumer Assist Network Association, Inc.	FEI 65-0597011 - DE
American Reliable Insurance Company	Owns 100% of Caravanner Insurance, Inc. of Arizona	FEI - AZ
Assurant Group LTD	Owns 100% of Assurant Membership Service, Ltd. Owns 100% of Bankers Insurance Company, Ltd. Owns 100% of Bankers Life Assurance Company, Ltd.	UNITED KINGDOM UNITED KINGDOM UNITED KINGDOM
Bankers Insurance Company, Ltd.	Owns 100% of Bankers Insurance Service Company, Limited	UNITED KINGDOM
Caribbean American Life Assurance Company	Owns 26% of Caribbean American Property Insurance Company	FEI 66-0481184; NAIC 30590 - PR
EGC Management, Inc.	Controls thru a management agreement - Specialty Lloyds Insurance Company	FEI 74-2289453; NAIC 28843 - TX
Federal Warranty Service Corporation	Owns 100% of Federal Warranty Service	CANADA

ANNUAL STATEMENT FOR THE YEAR 2002 OF THE DENTICARE OF ARKANSAS, Inc

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER AND HMO MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Financial Exchange, Inc.	Attorney in fact for: Financial Insurance Exchange	FEI 75-1391093; NAIC 18570 - TX
Guardian Investment Services, Inc.	Owns 0.01% of American Bankers Argentina Compania de Seguros, S.A.	ARGENTINA
Gulf Atlantic Insurance Agency	Owns 100% of United Service Protection, Inc.	FEI 59-1794848 - FL
International Financial Group	Owns 100% of American Association for Financial Institution Services Owns 100% of PAS Financial Group, Inc.	FEI 75-2337610 - TX FEI 75-2321226 - TX
MSDiversified Corp.	Owns 100% of Gulf Atlantic Insurance Agency, Inc. Owns 61% of MS Casualty Insurance Co. Owns 100% of MS Financial Services, Inc. Owns 100% of MS Life Insurance Company Owns 100% of MS Loan Center, Inc. Owns 100% of United Service Protection Corporation	FEI 59-1608916 - FL FEI 64-0681628; NAIC 15008 - MS FEI 64-0779440 - MS FEI 86-0275686; NAIC 83380 - MS FEI 64-0847246 - MS FEI 64-0906751 - DE
MS Financial Services, Inc.	Owns 100% of United Services Protection Corporation	CANADA
MS Life Insurance Company	Owns 21% of Commerce National Insurance Co. Owns 79% of Life Insurance Company of Mississippi Owns 61% of MS Diversified Life Insurance Owns 39% of MS Casualty Insurance Co.	FEI 64-0759872; NAIC 82767 - MS FEI 64-0614963; NAIC 89133 - MS FEI 64-0740613; NAIC 78310 - MS FEI 64-0681628; NAIC 15008 - MS
Sureway, Inc.	Owns 100% of Guardian Travel, Inc.	FEI 59-2519974 - FL
Voyager Group Inc.	Owns 100% of Voyager American Insurance Company, Ltd. Owns 100% of Voyager Indemnity Insurance Company Owns 100% of Voyager Property and Casualty Insurance Company Owns 100% of Voyager Service Programs Inc.	FEI 65-0508336 - Turks & Caicos FEI 58-1455416; NAIC 40428 - GA FEI 57-0665589; NAIC 35971 - SC FEI 59-3110220 - FL